

3.1.3 Understanding that businesses operate within an external environment

Content	Additional information
How the external environment can affect costs and demand	Factors influencing costs and demand to include the effect of: <ul style="list-style-type: none">• competition• market conditions• incomes• interest rates• demographic factors• environmental issues and fair trade.

3.2 Managers, leadership and decision making

3.2.1 Understanding management, leadership and decision making

Content	Additional information
What managers do	The role of managers should include: <ul style="list-style-type: none">• setting objectives• analysing• leading• making decisions• reviewing.
Types of management and leadership styles and influences on these	Theories of management and leadership styles should include: <ul style="list-style-type: none">• the Tannenbaum Schmidt continuum• the Blake Mouton grid.
The effectiveness of different styles of management and leadership	

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